



THE STATE BAR OF CALIFORNIA

REQUEST FOR PROPOSAL

FOR

SECURITY ASSESSMENT

May 4, 2005

PART A. -- OVERVIEW

This document is a Request for Proposal ("RFP") for a security assessment of the State Bar of California's information systems, support network communications infrastructure, and internet and remote access configurations.

Please submit 6 hard copies of your proposal in a sealed envelope **no later than 5 p.m. on July 20, 2005** to:

The State Bar of California
1149 South Hill Street
Los Angeles, CA 90015

Attn: Gene Yoo, Systems Operations Manager

Alternatively, you may e-mail your proposal and all required attachments before the deadline to the following e-mail address: Gene.Yoo@calbar.ca.gov

1. INTRODUCTION

The State Bar of California ("the State Bar"), created in 1927 by the California Legislature and written into the California Constitution in 1960, is a public corporation within the judicial branch of State government.¹ The State Bar serves as an administrative arm of the California Supreme Court, overseeing the regulation, admission and discipline of lawyers licensed in the State. The organization has approximately 580 employees and an operating budget of approximately \$100 million. Approximately half of the State Bar's employees are in San Francisco, half are in Los Angeles, and several are in Sacramento.

The State Bar of California maintains numerous information systems, including both servers and desktops that are located across California geographical region. These systems are interconnected by wide area network. The State Bar of California also provides redundant connection to the Internet at each Data Center, as well as a Virtual Private Network (VPN), that is used by various departments. The State Bar of California is seeking qualified firms to conduct a security assessment and analysis of these information systems, the support network communications infrastructure, and the Internet and remote access configurations. The services requested by this RFP may not be subcontracted out. The winning bidder must perform the services.

In accordance with California law and the State Bar's procurement policies, contracts in excess of \$50,000 are subject to formal competitive bidding. As a governmental agency, the State Bar typically receives favorable governmental pricing and contract terms.

¹ General information about The State Bar of California is available on its website at <<http://www.calbar.ca.gov>> in a document entitled, "[The State Bar of California - What Does It Do, How Does It Work?](#)"

2. SCOPE OF WORK

The objective of the State Bar of California in issuing this RFP is to assess, evaluate and document the adequacy of the security measures and configurations that have been implemented on desktops, servers, internal network communications infrastructure, and VPN and remote access systems, including the Internet interface. The assessment also requires the following:

- Specific and detailed list of vulnerabilities and recommendation for fixing them.
- A cost analysis of any recommended fixes
- Technical analysis of your findings and a list of remediation events or tasks.
- A rank of vulnerabilities based on importance to the State Bar.
- Risk assessment of all findings relevant to occurrence of any threat, vulnerability, exposure factor, single loss expectancy and annualized rate of occurrence.

Desktop and Server Environments

The State Bar of California infrastructure includes the following major operating system environments to be evaluated:

- Windows XP
- Windows 2003
- AS400

Network Communication Infrastructure

The State Bar of California network communication infrastructure includes a wide area network of primarily leased two T1 lines. Cisco switches are also used at most State Bar of California facilities to support the local area network environment at each location. This network infrastructure is to be evaluated as part of the security assessment.

Internet Access

The State Bar of California interface to the Internet involves a complex configuration of firewalls and routers. Internally, various appliances are deployed for SPAM and Anti-Virus mitigation. All of these systems are to be included in the security assessment.

Remote Access Systems

The State Bar of California supports several types of secure remote access configurations, including Virtual Private Network (VPN) and the use of static conduit routes.

War-Dialing

State Bar of California policy prohibits the use of unauthorized modems on any device connected to a State Bar of California network. As part of the security assessment, the State Bar of California requires a war-dialing activity designed to identify any unauthorized modems that may be active within State Bar of California facilities. Approximately 1000 phone numbers will be involved in the war-dial effort.

Project Management

A Project Manager will be assigned by the Contractor. The Project Manager will be responsible for all schedule, financial and management aspects of the project, and will be the primary site point-of-contact

(SPOC) with the State Bar of California. The State Bar of California will assign its own Project Manager who will interface with the Contractor's Project Manager.

At the start of the project, the Contractor's Project Manager will be responsible for developing a Project Plan to be approved by the State Bar of California Project Manager prior to the start of work. The Contractor's Project Manager will also attend scheduled status meetings, presentations, and other meetings as designated by the State Bar of California.

As necessary, the Contractor's Project Manager will be available on-site at State Bar of California facilities in order to supervise Contractor staff activities, coordinate tasks, identify and resolve problems, and keep the State Bar of California Project Manager informed of status and issues that require resolution.

Documentation and Presentations

The Contractor will document the results of all security assessments, evaluation and analysis processes, and findings. The Contractor will also produce recommendations for resolving or alleviating any security problems uncovered during the assessment, and will provide a "Best Practices" checklist for each operating system environment that is evaluated.

The Contractor's Project Manager will coordinate with the State Bar of California's Project Manager to determine both the specific contents and the format for all documentation.

The Contractor will also prepare and deliver several presentations to both senior management-level and technical groups within the State Bar of California.

PART B. -- REQUIREMENTS AND SPECIFICATIONS

In issuing this RFP, the State Bar of California is seeking a Contractor to provide the required services as listed below. The equipment to be evaluated is located throughout the State Bar of California, but all equipment can be accessed from two primary State Bar of California sites. The majority of the equipment is directly accessible from the State Bar of California's Information Technology Office (ITO).

The State Bar of California requires three basic types of security assessments:

- An assessment of its internal infrastructure, to include both server and desktop devices, and the network communications infrastructure (routers and switches); and
- An assessment of its external infrastructure.
- An assessment of internal environment (process, procedures, FCAPS, and vendor/in-house specific application).

The specific tasks required in association with each of these basic activities are identified below.

1.Internal Infrastructure Assessment

The following requirements apply to the security assessment of the State Bar of California's internal environment.

- A. The selected Contractor will conduct a security assessment and evaluation of the State Bar of California's internal infrastructure, including an analysis of desktop systems, servers, and network infrastructure (routers and switches). It is understood that not every system or device will need to be evaluated, but a sample of devices must be covered in the assessment that cuts across each of the State Bar of California's inter-departments, and that is sufficient to access the security of each Department. The estimated number of systems/devices to be evaluated is as follows:
 - 700 desktops, primarily Windows XP
 - 10 Windows 2000 servers and domain controllers
 - 50 Windows 2003 servers
 - 2 AS400 supporting critical State Bar of California applications
 - 7 Cisco routers
 - 40 Cisco switches
- B. The assessment of the State Bar of California's internal LAN environments, involving the above operating systems, will be based on the State Bar of California's domain name system (DNS) network architecture.
- C. The State Bar of California's primary wide area network will also be included in the internal security assessment. The wide area network interconnects State Bar of California facilities, and includes a complement of Cisco routers and switches. All components of the networking infrastructure can be accessed from Information Technology Office.
- D. The evaluation of the State Bar of California's internal environment will include a broad-scale assessment (initial "reconnaissance" scan), a focused and detailed evaluation of a sample of systems that will be identified by the State Bar of California, and an attempt to penetrate and exploit major vulnerabilities that are uncovered. The penetration/exploitation activity will only require demonstrating that exploitation is possible, and should in no case result in interruption of system availability or level of performance, loss of data, or damage to a system.
- E. A scanning activity, designed to detect active wireless access points and/or wireless modems, will be conducted at facilities to be identified by the State Bar of California.

2.External Infrastructure Assessment

The selected Contractor will conduct a security assessment and evaluation of the State Bar of California's external interface environment, as specified below. Due to the sensitive nature of the State Bar of California's external security perimeter, specific details of the configurations, products used, etc. will be provided only to the successful Proposal at the time of contract negotiation.

The following requirements apply to the security assessment of the State Bar of California's external environment:

- A. The State Bar of California maintains a dual-ISP, redundant Internet interface. This Internet interface will be evaluated as part of the security assessment. The Internet interface includes a firewall configuration at each segment.
- B. The State Bar of California maintains several different types of remote access systems, including secure routing, a Virtual Private Network (VPN), and an SSL enabled electronic email. These systems will be included in the security assessment.
- C. The Internet interface and remote access system evaluations will include two different aspects: evaluation of (1) the internal device settings and overall configuration of the State Bar of California's security perimeter, and (2) a professional attempt at external penetration of this security perimeter. The penetration activity will only require demonstrating that exploitation is possible, and should in no case result in interruption of system availability or level of performance, loss of data, or damage to a system.
- D. The State Bar of California maintains a number of peering relationships that involve connectivity with external organizations. As noted above, the Contractor will be responsible for assessing a maximum of two (2) of these external peering configurations, which are to be considered as separate from the State Bar of California's Internet infrastructure.
- E. The external assessment will include a war-dialing effort designed to identify active, unauthorized modems. The war-dialing effort will involve approximately 1,000 State Bar of California-provided telephone numbers.

3.Internal Environment Assessment

The following requirements (but not limited to) apply to the internal environment assessment of the State Bar of California's internal environment.

- A. The selected Contractor will conduct an internal environment assessment of the State Bar of California's process and procedures.
 - Organizational Policy (Administrative Advisory)
 - Change Management/Incident Handling
 - FCAPS (Fault Management, Configuration Management, Authentication Management, Performance Management, Security Management)
- B. An analysis vendor/in-house specific application listed below. It is understood that not every application will need to be evaluated
 - PeopleSoft ERP
 - Cognos
 - Hummingbird Document Management
 - Microsoft Exchange
 - Microsoft SQL
 - Microsoft Active Directory

4.Deliverables

- A. The State Bar of California requires the following documents and other deliverables to be produced during the course of the project:
- a. Project Plan, to be developed at the start of the project, and approved by the State Bar of California Project Manager prior to the start of work. The Project Plan will be developed in Microsoft Project.
 - b. Periodic status reports according to a schedule and in a format as mutually agreed to between the State Bar of California and Contractor Project Managers.
 - c. A high-level presentation of overall findings suitable for presentation to non-technical State Bar of California Managers, including common problems that were identified in the assessment and associated mitigation strategies.
 - d. An overview presentation of general findings suitable for presentation to State Bar of California technical staff, including common problems that were identified in the assessment and associated technical mitigation strategies.
 - e. A detailed description of findings, provided as individual reports, for (1) the State Bar of California's internal network; (2) for the State Bar of California's Internet configuration; (3) for the State Bar of California's remote access configuration; and (4) results of the wireless scanning activity. Evaluation findings and recommendations for internal firewall platforms, as well as the war-dialing results, will be included in the report for the organization.
 - f. A set of "Best Practices" for each operating system environment that is evaluated, such as Windows XP/2000/2003, AS400, and Cisco IOS. Each of these sets of Best Practices must be tailored to the specific security issues encountered within the State Bar of California during the evaluation process. . The report method must be consistent across all operating environments.
 - g. A "seminar" on social engineering techniques designed for State Bar of California Executive Management.
- B. Each of the presentations and reports of findings must contain a description of the assessment process, a discussion of the findings, and a list of immediate, mid-term, and long-term recommendations for securing the identified vulnerabilities. These recommendations must be at a level suitable for each report and for the intended audience.
- C. The report recommendations classified as "immediate" must include those identified vulnerabilities that pose high risk of unauthorized access to State Bar of California systems or a high level of risk of loss of data availability, integrity, and/or confidentiality.
- D. The Contractor must provide mentoring to a designated group of State Bar of California technical staff during both the internal and external assessment processes, including the wireless scanning activity. This mentoring is to include use and benefits of the evaluation tools used during the assessment processes, as well as interpretation of results. The objective of the mentoring process is that State Bar of California staff will have the necessary expertise to be able to perform some minimum level of follow-up assessment to determine whether or not critical and/or major security problems have been resolved.
- E. Following the assessment and preparation of final reports, the Contractor will meet for one hour with a representative of each Senior Executive members. During each of these meetings, the Contractor technical staff will review the assessment findings with the representative and ensure that the results and recommended mitigation strategies are understood. These meetings will be conducted at the State Bar of California's main office (San Francisco), and Contractor staff will not be expected to travel to other State Bar of California locations.
- F. For some limited time following the report delivery and review process as described in item "E", Contractor technical staff will be available by telephone to answer any follow-up questions.

PART C. -- PROPOSAL FORMAT AND CONTENT

Proposals submitted in response to this RFP must provide the requested information in the format specified in this section. Adherence to this format will help to ensure a fair and objective analysis of submitted proposals. Submitted proposals that are not in this format, or that do not provide the requested information, may be considered non-responsive and subject to rejection.

The requested information is organized into three individual sections (Vendor Information, Technical Requirements, and Cost), which should correspond to individual sections in the submitted proposals. To make evaluation of proposals more efficient, the required information is presented as a series of questions within each of these sections. Proposals must answer these questions in the order presented, and question responses should be numbered as shown below.

Note that responses to questions MUST be specifically answered within the context of the submitted proposal. The State Bar of California Evaluation Team will NOT refer to a designated web site, brochure, or other location for the requested information. Responses that utilize references to external materials as an answer will be considered non-responsive.

1.VENDOR INFORMATION

- a. Provide a brief description of your company, including all business names, number of employees, years incorporated, business locations, client base, and areas of expertise.
- b. Provide the name, title, telephone number, and email address of the individual designated as your company's authorized representative.
- c. Attach a copy of your company's most recent cash flow and balance statement as evidence of your financial stability. A profit and loss statement is not acceptable in lieu of a statement of cash flow.
- d. Provide a detailed discussion of your company's experience and qualifications in performing the scope of work requested in this RFP. Include information that indicates experience and qualifications in performing the requested security assessment in an environment similar in scale and complexity to that of the State Bar of California.
- e. Provide three customer references for work that your company has performed that is equivalent to that requested in this RFP. Include the company name, contact person and contact information, and a description of the work performed. **Note that references WILL be contacted and contact information that is not accurate (e.g., an incorrect telephone number) will be considered non-responsive.** The State Bar of California Evaluation Team will not make additional telephone calls in order to obtain correct contact information.
- f. Provide the complete name, title, and contact information of the individual who will act as your Project Manager. Provide a detailed resume for this individual indicating the appropriate project management experience as well as any technical expertise in the field of information security.
- g. Provide the names and resumes of the individuals who will be performing the actual security assessment and evaluation tasks.
- h. If other staff will be assigned to the project (such as a Technical Writer to prepare documentation), identify these individuals, describe the function they will perform, and provide brief resumes for each one.

2. TECHNICAL REQUIREMENTS

- a. Provide an overview of the process you will use to conduct the security assessments, evaluations, analyses, report generation, and follow-up with State Bar of California. For example, if you plan to divide the activity into Phases, identify each Phase and the tasks that will be associated with each Phase. Include a schedule showing anticipated milestones.
- b. Since the State Bar of California information technology environment includes well over 1000 devices, it is clear that not every device can be evaluated in detail. Describe the process that you recommend for selecting an appropriate sampling of State Bar of California devices for more detailed analysis.
- c. Describe the software tools that you will be using in your analysis. In your discussion, include the purpose of each tool, the types of information that will be collected using each tool, and how the security and confidentiality of the collected data will be maintained.
- d. Describe the technical expertise of your proposed staff in the various required operating system environments.
- e. Discuss the firewall systems, Anti-Virus; secure remote access systems, and any other security devices and software that your company has evaluated in the past. Please identify any of these types of systems in which your company has particular expertise.
- f. Describe the methodology that you plan to use to translate your raw data, analyses, notes, and other materials into actual deliverable documents. Describe your reporting methodology you will be using for the Best Practices reports and why this methodology is appropriate for this project. Provide a sample of an audit report that you have generated for another client (remove any information considered sensitive or proprietary; the State Bar of California is interested only in seeing the report format and general contents of your standard audit report).
- g. In conducting the various security assessments, you will be given access to sensitive State Bar of California information and will have access to critical State Bar of California systems. You will be expected to keep all information acquired while performing the services strictly confidential, as well as agreeing to abide by all State Bar of California policies associated with access to State Bar of California data. Employees may have to sign individual confidentiality agreements. Discuss your company's philosophy and approach with regard to maintaining the security, privacy, and confidentiality of customer data and other information that you may have access to during security assessments.
- h. The State Bar of California requirement is for all testing to be non-destructive (i.e., there will be no disruption to any operational State Bar of California system during the testing, analysis, and attempts at penetration). Describe how you will approach each assessment task so that you can guarantee that all systems will continue in an operational status.
- i. It may be possible to take some selected systems off-line for assessment if necessary, as long as this is scheduled in advance. Will any of your planned testing or analysis require State Bar of California systems to be off-line? If so, how long will the systems need to be off-line? Please include any offline time in your project schedule.
- j. The State Bar of California intends to provide some level of effort from qualified technical staff to support the Contractor in the security assessment activities. Describe in detail the level of effort from State Bar of California staff that you will need, including the type of expertise required, when assistance will be needed in terms of the process you have described in Question 1.e., and the estimated number of hours of participation that will be needed. Note that any work planned for off-hours may require that a State Bar of California employee be present, so include this information in your response.
- k. The State Bar of California will provide desk space, network access, and other basic amenities (telephones, etc.) for Contractor staff located on-site during the security assessment. List in detail any other resources that will be needed from the State Bar of California, such as laptops or desktop PCs, analyzers, IP address information, etc.

3.COST

Based on the work-plan you have discussed above in II. TECHNICAL REQUIREMENTS, Question a, list the tasks you have identified and provide the cost information as shown below in the table. Include all other required costs (such as software license fees, etc.) as line items in the table. Also include separate line items for any Travel & Living costs you will be expected to follow the State Bar's Travel and Business Expense policy, attached to this RFP as attachment B.

TASK	NUMBER OF HOURS	COST	COMMENTS OR ADDITIONAL INFORMATION
Project Management*			
Estimated T&L Costs	N/A		
TOTALS			

* The State Bar of California requires a "Project Management" task.

PART D. -- EVALUATION OF PROPOSALS

The State Bar of California will review submitted proposals based upon, but not solely limited to, the following criteria. The evaluation of proposals will be weighted on these factors as indicated. Note that Cost will be a factor, but not the only factor, in evaluating submitted proposals.

- Responsiveness: Adherence to the requirements of this Request for Proposals (20 points).
- Qualifications and Experience: Financial stability of your company. Depth of Project Team's experience and its relevance to the project described in this Request for Proposals. This factor also includes reference information obtained from current and/or prior customers (25 points).
- Technical Approach and Quality: Contractor understands project requirements, and the proposed methodology and management plan for the project (25 points).
- Cost: Total cost to the State Bar of California for completing the required work (30 points).

The State Bar of California will evaluate proposals based on each Contractor's written submittal.

Please submit your bid in a sealed envelope no later than **5 p.m. July 20, 2005** to:

The State Bar of California
1149 South Hill Street
Los Angeles, California 90015
Attn: Gene Yoo
Systems Operations Manager
E-mail: gene.yoo@calbar.ca.gov

PART E. -- GENERAL INFORMATION

1.Submission Requirements

a. Evaluation Process and Highest Scored Proposer

An evaluation team will review in detail all proposals that are received to determine the Highest Scored Proposer ("HSP").

The State Bar reserves the right to determine the suitability of proposals on the basis of a proposal's meeting administrative requirements, and other criteria as assessed by the review team.

During the evaluation process, the State Bar may require a proposer's representative to answer questions with regard to the proposal and/or require certain proposers to make a formal presentation to the evaluation team and/or the State Bar Senior Executive Team.

All proposals submitted in response to this RFP must comply with the submission requirements contained in this RFP and must include all listed information:

The following criteria will be used in reviewing and comparing the proposals and in determining the HSP.

1. A brief description of the history and organization of the bidder's firm, and of any proposed subcontractor, including a description of why the firm is qualified to supply the Services.
2. Copies of business licenses, professional certifications or other credentials, together with evidence that bidder, if a corporation, is in good standing and qualified to conduct business in California.
3. At least 3 references with contact information from organizations that have received similar services from bidder within the last 18 months.
4. A detailed cost proposal.

Any bid failing to break out the costs in accordance with the above is subject to rejection as not responsive.

b. Rejection of Bids

The State Bar reserves the right in its sole discretion to reject any or all bids in whole or in part, without incurring any cost or liability whatsoever. All bids will be reviewed for completeness of the submission requirements. If a bid fails to meet a material requirement of the RFP, or if it is incomplete or contains irregularities, the bid may be rejected.

Any bid may be rejected where it is determined to be not really competitive, or where the cost is not reasonable.

Bids that contain false or misleading statements may be rejected if in the State Bar's judgment the information was intended to mislead the State Bar regarding a requirement of the RFP.

c. Award and Execution of Contract

Subject to the State Bar's right to reject any or all proposals, the HSP will be awarded the contract. Notice will be posted at the State Bar's offices at 180 Howard Street, San Francisco, CA and sent to proposers on or about August 3, 2005 of the Bar's intention to award the contract to the HSP. It is anticipated that final selection of the HSP will be made by August 3,

2005. The evaluation team will select a winning proposal subject to approvals granted by the Board of Governors. Upon selection, the State Bar and the selected Insurer will enter into good faith negotiations to arrive at a formal written contract containing, without limitation, the Statement of Work and Contracting Requirements sections contained in this RFP.

No contract or agreement, express or implied, shall exist or be binding on the State Bar before the execution of a written contract by both parties. If agreement on the terms of such a contract cannot be reached after a period deemed reasonable by the State Bar in its sole discretion, the State Bar may enter into negotiations and sign a contract with any other proposer who submitted timely, responsive and responsible proposals to this RFP.

If, after the State Bar and the HSP agree to terms and execute a contract, that contract is terminated for any reason, the State Bar may, in its sole discretion, either enter into negotiations with the next highest scored proposer, or issue a new RFP and begin the proposal process anew.

Questions regarding the State Bar's award of any business on the basis of proposals submitted in response to the RFP, or on any other matter, in connection with the selection process, should be addressed in writing to Bill Brauer, contact information above.

Questions regarding the State Bar's award of any business on the basis of bids submitted in response to the RFP, or on any other matter in connection with the selection process, should be addressed in writing to: Gene Yoo, The State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, email: gene.yoo@calbar.ca.gov

d. Errors in the RFP

If a bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the bidder should immediately provide the State Bar with written notice of the problem and request that the RFP be clarified or modified. Without disclosing the source of the request, the State Bar may modify the document prior to the date fixed for submission of bids by issuing an addendum to all potential bidders to whom the RFP was sent.

If, prior to the date fixed for submissions, a bidder knows of or should have known of an error in the RFP but fails to notify the State Bar of the error, the bidder shall bid at its own risk, and if, awarded the contract, shall not be entitled to additional compensation or time by reason of the error or its later correction.

e. Questions Regarding the RFP

The State Bar believes that this RFP is complete and does not need explanation. Any technical questions, however, regarding the RFP may be addressed in writing to: Gene Yoo, The State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, e-mail: gene.yoo@calbar.ca.gov

f. Questions and answers regarding the RFP may be shared with all bidders.

If a question relates to a proprietary aspect of its bid and the question would expose proprietary information if disclosed to competitors, the bidder may submit the question in writing, conspicuously marking it as "CONFIDENTIAL". With the question, the bidder must submit a statement explaining why the question is sensitive. If the State Bar concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence. If the State Bar does not concur

regarding the proprietary nature of the question, the question will not be answered in this manner and the bidder will be notified.

A bidder, who believes that one or more of the RFP's requirements is onerous or unfair, or unnecessarily precludes less costly or alternative solutions, may submit a written request that the RFP be changed. The request must set forth the recommended change and reason for proposing the change. Any such request must be received by the State Bar within 3 days of the bidder's receipt of the RFP, but in no event later than 5 days before the deadline for submitting bids.

g. Addenda

The State Bar may modify the RFP prior to the date fixed for submission by mailing, e-mailing or faxing an addendum to the bidders to whom the RFP was sent. If any bidder determines that an addendum unnecessarily restricts its ability to bid, it must notify the State Bar in writing no later than three (3) days following the receipt of the addendum.

h. Withdrawal and Resubmission/Modification of Bids

A bid may be withdrawn at any time prior to the deadline for submitting bids by notifying the State Bar in writing of its withdrawal. The notice must be signed by the bidder. The bidder may thereafter submit a new or modified bid, provided that it is received at the State Bar no later than the deadline date for all bids.

Modification offered in any other manner, oral or written, will not be considered. Bids cannot be changed after the evaluation process begins.

i. Protest Procedure

A bidder may protest the award if it meets all the following conditions:

1. The bidder has submitted a bid that it believes to be the highest scored proposer, under the criteria set forth above;
2. The bidder believes that its bid meets the State Bar's administrative and technical requirements, proposes goods and services of proven quality and performance, and offers a competitive cost to the State Bar; and
3. The bidder believes that the State Bar has incorrectly selected another bidder.

A vendor submitting a bid who is qualified to protest should contact Andrew Conover, Procurement Supervisor, The State Bar of California, 415-538-2207, to attempt an informal resolution. If he is unable to resolve the protest to the bidder's satisfaction, the bidder must file a written protest within 5 days of the notice of intention to award contract. The written protest must state the facts surrounding the issue and the reasons the bidder believes the award to be invalid. The protest must be sent by certified or registered mail or delivered personally to:

The State Bar of California
180 Howard Street
San Francisco, California 94105-1639
Attention: Peggy Van Horn, Chief Financial Officer

Protests will be reviewed and decided by the State Bar's Award Protest Team within 30 days after the State Bar issues written acknowledgment of the protest. In the event that a protest is filed, the contract award will be postponed pending resolution of the protest.

j. News Releases

News releases pertaining to the award of a contract may not be made without the prior written approval of the State Bar.

k. Disposition of Materials

All materials submitted in response to an RFP will become the property of the State Bar and will be returned only at the State Bar's option and at the expense of the bidder. One copy of each bid will be retained for official files and become a public record. Specific limited pages of a bid, not including proposed cost and compensation, may be marked as proprietary and confidential. The bidder's consent will be requested before release of such pages to anyone other than State Bar personnel. By submitting a bid, a bidder agrees to these terms and waives any right to pursue a cause of action for damages incurred as a result of the release of any information contained in a bid.

2.CONTRACTING REQUIREMENTS

Upon selection of the HSP, the terms set forth in this RFP are to be embodied in a definitive agreement containing such additional covenants and other provisions as may be mutually acceptable. If appropriate, the State Bar's first choice is to incorporate the master purchasing terms and conditions applicable to the State of California to the Bar's agreement with the selected Contractor ("Contractor").

The State Bar contemplates that, in addition to the technical terms described above in this RFP, final agreement between the State Bar and Contractor will include, without limitation, the following terms. Contractor's agreement to contract on these terms shall be presumed unless specifically reserved by Contractor in its proposal.

A.Time of Essence

Time is of the essence with respect to Contractor's performance of the services and equipment to be provided in the final agreement.

B.Warranties and Representations

Contractor warrants and represents that it possesses such expertise, experience and resources to perform the scope of services required in a diligent, timely and professional manner consistent with the standards of the industry. Contractor will supply at all times an adequate number of well-qualified personnel to perform the work. Contractor will provide a contact person available and authorized to remedy any non-conformity with this warranty.

Contractor warrants that its solution shall conform to and be reasonably free of error and/or defects in material and workmanship, and fit for the purpose for which it is to be used. Contractor will, at its sole cost and expense, promptly perform any and all corrections of error that occur as a result of its own, its contractors' or subcontractors' negligence, make any corrections and modifications to the solution necessary or desirable to cure any non-conformity with the specifications, and repair said system or components so as to remedy any defects in material and/or workmanship.

Contractor represents and warrants that the solution will not infringe any copyright or other proprietary right (including trade secrets) of any third party, and that Contractor has full authority to grant all rights to the State Bar hereunder.

Contractor represents and warrants that no claim, whether embodied in an action past or present, of infringement of any patent, copyright, trademark, or other intellectual property right, has been made or is pending against Contractor or any entity from which Contractor has obtained such rights relative to the proposal presented to the State Bar hereunder.

C. Equipment, Tools, Supplies

Contractor will supply all equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services and insurance required. Contractor is not required to purchase, rent or hire any equipment, tools, supplies, offices, transportation, personnel, insurance or instrumentalities from the State Bar. The State Bar has no obligation whatsoever to provide any equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services or insurance required to perform services under this agreement.

D. Financial Interests

Contractor represents that all potential conflicts of interest were disclosed in its response to the State Bar's RFP. If Contractor establishes or becomes aware of such a financial interest during the course of contract performance, Contractor must notify the State Bar in writing within ten (10) working days. If, in the State Bar's judgment, the newly established financial interest will jeopardize the objectivity of the recommendations, the State Bar will have the option of terminating the contract.

E. Indemnity Obligations of Contractor

To the fullest extent permitted by law, Contractor agrees to protect, indemnify, defend and hold the State Bar and the State Bar's Board of Governors, officers, employees, agents and representatives and each of their successors and assigns harmless from and against any and all losses, claims, actions, demands, proceedings, liabilities, damages, judgments, fines, penalties, settlements, costs and charges, including, without limitation, attorneys' fees and expenses, arising directly or indirectly from or in connection with (a) any breach of the Agreement, (b) any actual or alleged negligent act, negligent error or omission, intentional misconduct of, or violation of any law by Contractor, Contractor's employees, subcontractors, agents, representatives or assigns (collectively, "Contractor's Agents") in the performance or non-performance of the professional services required to be performed by Contractor under the Agreement; or (c) the State Bar's enforcement of its rights under this indemnity provision. Contractor agrees that its obligations under this indemnity will survive the expiration and termination of this agreement.

In the event both the State Bar and Contractor are named as defendants in the same civil action, and the State Bar determines that a conflict of interest exists between the parties, Contractor will agree to provide, at its own cost, independent counsel for the State Bar. The State Bar may, at its option, designate its Office of General Counsel as equal participating counsel in any litigation wherein Contractor defends the State Bar.

Contractor will defend, indemnify and hold harmless State Bar (its Board of Governors, officers, agents, and employees, as the same may be constituted now and from time to time hereafter) from and against any and all liability, losses or damages or any expenses or costs whatsoever to the State Bar, including reasonable attorneys' fees and costs, as a result of any claims, demands, damages, costs or judgments against the State Bar based on allegations that, as a consequence of the services rendered hereunder, any program or software designed, developed, amended, merged or restructured, or any part thereof, alone or in combination with other programs or software, infringes on any patent or copyright or

misappropriates a trade secret. If any such program or software or any part thereof, is held to constitute an infringement or misappropriation, and use of the program or software is enjoined, Contractor will, at its own expense, either: (1) procure for the State Bar the right to continue to use the program or software or part thereof; (2) replace the program or software with a non-infringing replacement, provided that such replacement does not compromise performance and otherwise meets the State Bar's specifications; or (3) modify the program or software to make it non-infringing, provided that such modification does not compromise performance and otherwise meets the State Bar's specifications.

F. Insurance Obligations of Contractor

Contractor will provide and keep in full force and effect during the term of this agreement, at Contractor's own cost and expense, the following insurance policies for the joint benefit of Contractor and the State Bar, with an insurer reasonably acceptable to the State Bar:

1. Commercial general liability insurance with a general aggregate limit (other than products/completed operations) of at least Two Million Dollars (\$2,000,000.00); at least One Million Dollars (\$1,000,000.00) personal and advertising injury limit; at least One Million Dollars (\$1,000,000.00) premises and operations limit; at least One Million Dollars (\$1,000,000.00) each occurrence limit;
2. Workers' compensation coverage as required by law, together with employer liability coverage with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence.
3. Comprehensive automobile liability insurance covering owned, leased, hired and non-owned vehicles with at least One Million Dollars (\$1,000,000.00) combined single limit.
4. Professional liability insurance with a general aggregate limit of Two Million Dollars (\$2,000,000.00), and an each claim limit of Two Million Dollars (\$2,000,000.00).

Contractor will deliver true and correct copies of its insurance policies required above, and certificates of such insurance to the State Bar offices at 180 Howard Street, San Francisco, CA 94105, Attn: Insurance Manager, within seven (7) days of the execution of this agreement. Each such policy will name the State Bar as an additional insured and will state that Contractor's policy shall be primary and that any insurance carried by the State Bar shall be noncontributing with respect thereto. Each such policy will provide for thirty (30) days prior written notice to the State Bar in the event of cancellation or reduction in coverage or amount. If Contractor fails to secure and maintain insurance policies complying with the provisions of this agreement, the State Bar may purchase the appropriate insurance policies and Contractor will pay upon demand the cost of it to the State Bar or the State Bar may terminate this agreement. In addition to the insurance required to be obtained and maintained by Contractor, if Contractor assigns any portion of the duties under this agreement in accordance with the terms, hereof, each subcontractor or assignee will purchase and maintain the same insurance coverage required hereunder.

Contractor will immediately notify the State Bar if Contractor's commercial general liability insurance contains restrictive endorsements other than those restrictive endorsements normally included in the State of California. If Contractor's commercial general liability insurance contains such restrictive endorsements, Contractor will have five (5) business days to remove said restrictions. If Contractor is unable to do so, the State Bar may terminate this agreement, and will be required to give Contractor no more than two (2) days' notice of such termination, anything in this agreement to the contrary notwithstanding.

G. Termination

1. Appropriation of Funds. If the term of this agreement extends into fiscal years subsequent to that in which it is approved, the continuation of this agreement is subject to the appropriation of funds for such purpose by the California State Legislature. If funds to effect such continued payment are not appropriated, Contractor agrees to take back any affected equipment, products, software, or hardware furnished under this agreement, terminate any services supplied to the State Bar, and relieve the State Bar of any further obligation.

2. Default by Contractor. This agreement may be terminated by the State Bar upon thirty (30) days written notice to Contractor in the event Contractor is in default under any of its provisions. In the event this agreement is terminated due to the default by Contractor, Contractor will not be entitled to receive any compensation for services performed or for any reimbursable expenses incurred, and the State Bar will have the right to have the services completed by other parties and Contractor will reimburse the State Bar for the actual costs to complete the services in excess of the balance of the fee and reimbursable expenses, if any, provided for in this agreement. Any such act by the State Bar will not be deemed a waiver of any other right or remedy of the State Bar, including, without limitation, the State Bar's right to consequential damages caused directly or indirectly by Contractor's default.

3. Automatic Termination. This agreement will automatically terminate on the occurrence of any of the following events: (a) bankruptcy or insolvency of either party; (b) sale of the business of either party; (c) failure to comply with federal, state or local laws, regulations or requirements; (d) failure of Contractor to disclose a relevant financial interest as required by this Agreement, or (e) expiration of the agreement.

H. Ownership of Documents

All work product ("work product") and all rights thereto in the nature of copyright, trademark, patent and rights to ideas are hereby assigned to the State Bar, and are the property of the State Bar whether or not the work is completed. In the event of termination of this agreement, or abandonment or suspension of work performed hereunder, all work product and all such rights thereto existing as of the date of such termination, suspension or abandonment will be assigned to, and will become the property of the State Bar as of such date. The term "work product" shall include, without limitation, any and all versions, whether in print or electronic format, of any and all drawings, plans, graphs, photographs, slides, studies, schedules, budgets, estimates, layouts, and any other products or services that have been or will be prepared or rendered by Contractor, or under Contractor's direction, pursuant to this agreement. Contractor covenants, warrants and represents to the State Bar that Contractor has the right to assign the copyright and the work product. Contractor will refrain from disclosing any and all versions of plans to any third party without first obtaining the written consent of the State Bar. Contractor will not use or permit a third party to use any of the work product in connection with this project or any other project without the written consent of the State Bar. Contractor will agree to deliver to the State Bar within five (5) days of a written request, all or any portion of the work product set forth in the State Bar's request. Contractor will be permitted to retain copies for information and reference. Contractor will provide the State Bar with updated copies of all work product on a monthly basis either on a computer disk or other reproducible format as requested by the State Bar.

I. Confidentiality and Publicity

Contractor will retain all confidential information provided by the State Bar in the strictest confidence and will neither use it nor disclose it to anyone other than employees requiring the information to perform services under this agreement without the prior written consent of the State Bar. The State Bar retains the right to enjoin any unauthorized disclosure in an appropriate court of law. Contractor will not issue any public announcements concerning the State Bar without the prior written consent of the State Bar.

J. Nondiscrimination

During the performance of this agreement, Contractor will not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age (over 40), sex or sexual orientation. Contractor will comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.) and applicable regulations promulgated there under (California Administrative Code, Title 2, section 7285.0 et seq.). The Contractor will include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this agreement.

K. Assignment/Subcontracting

1. Assignment. The Contractor will not assign or transfer its interest, in whole or in part, under this agreement, without the written consent of the State Bar, which consent may be granted or withheld in the sole and absolute discretion of the State Bar. The parties acknowledge that the State Bar's obligations under this agreement primarily concern the financial ability to carry through the terms of payment. Therefore, the State Bar may assign or transfer part or all of its interest in this agreement, provided that such assignment shall not become effective, and the State Bar will not be released from its obligations under this agreement, until such time as the State Bar or the State Bar's assignee makes payment to Contractor of all fees and payments then due and payable to Contractor.

2. Subcontracting. Contractor may not subcontract with firms or individuals to complete any part of these services without the written approval of the State Bar.

L. General Provisions

1. Force Majeure. In the event that the State Bar or Contractor is delayed in performing any of its respective obligations under the Agreement, except payment of money, due to force majeure (including acts of God, war, government regulation, disaster, strikes or other labor disputes, civil disorder, acts of domestic or international terrorism or other emergencies beyond the control of the parties making it illegal or impossible to perform), and only if notice of such delay is properly given, such delay will be excused and the period of such delay will be added to the time for performance of the obligation delayed. However, no delay will be permitted if the date, schedule or time period for performance of the obligation is expressly stated in this Agreement not to be subject to extension by reason of force majeure. In the event of a delay due to force majeure, the affected party will exercise due diligence to shorten, avoid and mitigate the effects of the delay and will keep the other party advised as to the continuance of the delay. In the event that force majeure makes completion of obligations under this Agreement impossible, the Agreement may be terminated by either party, by written notice, without any liability, penalty, or prejudice, whatsoever, for any of the reasons listed in the first sentence of this paragraph.

2. Governing Law. This agreement will be governed by the laws of the State of California.

3. Arbitration. Any question, claim or dispute arising out of or in connection with the Agreement or this Addendum which is in excess of Five Thousand Dollars (\$5,000.00) will be referred to binding arbitration, except with respect to disputes regarding breaches of confidentiality. Such arbitration will take place before one (1) arbitrator in the City and County of San Francisco, and will be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. The arbitrator will be bound to apply legal principles in accordance with California law. By agreeing to this arbitration clause, neither party waives applicable defenses or immunities available to it under California law. Any arbitration demand made

under this clause must be made no later than one year from the expiration or termination of this Agreement. The cost of the arbitration will be borne equally by the parties, each party to pay its own fees and costs. Disputes of Five Thousand Dollars (\$5,000) or less will be handled in Small Claims Court in the City and County of San Francisco.

4. License. In those instances where required, Contractor represents and warrants that Contractor holds a license, permit or special license to perform the services pursuant to this agreement, as required by law, or employs or works under the general supervision of the holder of such license, permit or special license and shall keep and maintain all such licenses, permits or special licenses in good standing and in full force and effect at all times while Contractor is performing the services pursuant to this Agreement.

5. Relationship of Parties. Contractor is not an agent of State Bar for any purpose whatsoever, and is not granted, by the terms or execution of this Agreement, any express right of authority to assume or create any responsibility on behalf of, or in the name of State Bar, or to bind State Bar in any manner or thing whatsoever.

6. Severability. If any provision or provisions of this Agreement are held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full force and effect.

7. Waiver. Failure of either party to enforce, at any time, any provision of this Agreement shall not be construed as a waiver of such provision or of any other provisions, or of the right of such party thereafter to enforce such provision.